

FINNIUS

NVB Code of Conduct Small Business Financing

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Banks have drawn up the Code of Conduct Small Business Financing (Gedragscode Kleinzakelijke Financiering) for financing to the smaller SME entrepreneurs (entrepreneurs with an annual turnover of up to EUR 5 million). The code contains rules of conduct for banks that finance these small business entrepreneurs. All members of the Dutch Banking Association (Nederlandse Vereniging van Banken, NVB) will abide by the code. The minimum standards of the code relate to the orientation stage, the application stage and the management stage of the financing process. In addition, the code deals with referral of customers to other financiers, special management and the procedure regarding complaints and disputes. The code of conduct was introduced after the consultation in 2016 on the effectiveness and desired level of protection for independent contractors and SME entrepreneurs with respect to financial services and products. The code will enter into force on 1 July 2018 and is applicable to financings (e.g. loans and credit facilities) that are applied for from that moment.